



DEPARTMENT OF ENERGY

[OE Docket No. PP-485]

Application for Presidential Permit;
North Star Electric Cooperative

AGENCY: Office of Electricity, Department of Energy.

ACTION: Notice of application.

SUMMARY: North Star Electric Cooperative has applied for a Presidential permit to construct, operate, maintain, and connect an electric transmission line across the United States border with Canada.

DATES: Comments or motions to intervene must be submitted on or before ***[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]***.

ADDRESSES: Comments, protests, motions to intervene, or request for more information should be addressed by electronic email to *Electricity.Exports@hq.doe.gov*, or by facsimile to (202) 586-8008.

FOR FURTHER INFORMATION CONTACT: Christopher Lawrence (Program Office) at 202-586-5260 or via electronic mail at *Christopher.Lawrence@hq.doe.gov*; Christopher Drake (Program Attorney) at 202-586-2919 or via electronic mail at *Christopher.Drake@hq.doe.gov*.

SUPPLEMENTARY INFORMATION: The construction, operation, maintenance, and connection of facilities at the international border of the United States for the transmission of

electric energy between the United States and a foreign country is prohibited in the absence of a Presidential permit issued pursuant to Executive Order (EO) 10485, as amended by EO 12038.¹

On February 19, 2021 North Star Electric Cooperative, Incorporated (Applicant or North Star) filed an application (Application or App.) with the Office of Electricity of the Department of Energy (DOE) for a “Presidential Permit authorizing the continued connection, operation, and maintenance of facilities for the transmission of electric energy at the international border between the United States and Canada.” App. at 1. The Applicant states that it “is a distribution cooperative member-owner of Minnkota Power Cooperative (“Minnkota”), a generation and transmission cooperative that provides wholesale power requirements to North Star and its other member-owner cooperatives.” *Id.* The Applicant’s principal place of business is in Baudette, Minnesota. *Id.* at 4.

North Star states that it “currently serves 26 residential customers in Canada,” and that the facilities for which it seeks a Presidential permit “comprise low-voltage (7,200 and 14,400 volts) lines running from Minnkota’s International Falls substation in northern Minnesota approximately 10.35 miles to the border” noting that “the actual length of the line . . . is approximately 14.16 miles” in the United States. *Id.* at 2 & n.2. North Star adds that it was unaware that a Presidential permit was required for its facilities, and that the Application aims to bring the cooperative into compliance with legal requirements. *See it.* at 3.

The facilities for which North Star seeks a permit from Minnkota’s International Falls Substation northeast to the international border. *See App.* at 5. Specifically, beginning at the substation, the facilities consist of “4.1 miles of 14,000 volt three-phase underground lines, then 2.5 miles of 14,000 volt three-chase overhead line, then 1.0 miles of 7,200 volt three-phase overhead line, then 4.0 miles of 7,200 volt three-phase underwater line to an oil circuit recloser

¹ The permit application is for the connection of facilities to be operated at distribution-level voltage. Note that DOE regulations require “[a]ny person, firm, co-operative, corporation or other entity who operates an electric power transmission or distribution facility crossing the border of the United States, for the transmission of electric energy between the United States and a foreign country,” to hold a Presidential permit for the facility. 10 CFR 205.320(a).

(“OCR”) breaker on the U.S. mainland.” *Id.* Beginning at the OCR breaker, “one single-circuit line continues north within the U.S. to serve additional customers located in the U.S. and the majority of the customers located in Canada, and a tap on that line heads east for about 1.2 miles toward the U.S./Canada border to serve the remaining two customers in Canadian waters.” *Id.* These facilities include “a 0.15 mile stretch of 7,200 volt three-phase overhead line, then 0.14 miles of 7,200 volt singlephase overhead, and then 2.27 miles of 7,200 volt single-phase underwater line to the U.S./Canada border, which is just beyond Curtis Island.” *Id.* The facilities include “two single-circuit lines” crossing the border—“[t]he first heads north from the Curtis Island . . . and feeds the majority of the customer accounts in Canadian waters,” and “[t]he second line heads east of Curtis Island and feeds the remaining two customer accounts in Canadian waters.” *Id.* at 6.

North Star also proposes to upgrade some of its existing cross-border facilities, and requests that any permit “include permission to make appropriate upgrades to the [f]acilities to enable North Star to continue to reliably serve the customers in [Canada].” App. at 3. The Applicant notes that it “does not expect to construct any additional cross-border facilities (i.e., new crossing points).” *Id.* at 3 n.4

Since the restructuring of the electric industry began, resulting in the introduction of different types of competitive entities into the marketplace, DOE has consistently expressed its policy that cross-border trade in electric energy should be subject to the same principles of comparable open access and non-discrimination that apply to transmission in interstate commerce. DOE has stated that policy in export authorizations granted to entities requesting authority to export over international transmission or distribution facilities. Specifically, DOE expects transmitting utilities owning border facilities to provide access across the border in accordance with the principles of comparable open access and non-discrimination contained in the Federal Power Act and articulated in Federal Energy Regulatory Commission (FERC) Order

No. 888 (Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; FERC Stats. & Regs. ¶ 31,036 (1996)), as amended.

PROCEDURAL MATTERS: Any person may comment on this application by filing such comment at the address provided above. Any person seeking to become a party to this proceeding must file a motion to intervene at the address provided above in accordance with Rule 214 of FERC's Rules of Practice and Procedure (18 CFR 385.214). Two copies of each comment or motion to intervene should be filed with DOE on or before the date listed above.

Additional copies of such motions to intervene also should be filed directly with: Daniel E. Frank, 700 Sixth St., N.W., Suite 700, Washington, DC 20001; *DanielFrank@eversheds-sutherland.com*.

Before a Presidential permit may be issued or amended, DOE must determine that the proposed action is in the public interest. In making that determination, DOE may consider the environmental impacts of the proposed project, determine the project's impact on electric reliability by ascertaining whether the proposed project would adversely affect the operation of the U.S. electric power supply system under normal and contingency conditions, and weigh any other factors that it may also deem relevant to the public interest. DOE must also obtain favorable recommendations of the Secretary of State and the Secretary of Defense before taking final action on a Presidential permit application.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, or by accessing the program website at *<https://energy.gov/oe/services/electricity-policy-coordination-and-implementation/international-electricity-regulation-2>*.

Signed in Washington, D.C., on July 19, 2021.

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Office of Electricity.

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